

people less and make more money. Unfortunately, the thousands of employees they have left stranded in places like Gary, Indiana; New Chicago, Indiana, have no recourse. In abrogating their responsibility, the responsibility to fairly reward hard work, these corporate citizens of the United States of America have dashed the American dream of many of the people we represent.

We must not take the world economy as we find it and adapt to it, as so many people have suggested we do. We must make the world economy adapt to our fundamental American economic principle that hard work pays. It pays in the form of a living wage to working people.

It might not happen this year; it might not happen next year, it might not happen in 20 years, but if it happens 50 years from now, our grandchildren will look back and say that we today here in this place did not break our covenant with the next generation of American citizens.

I would ask all of my colleagues to join with me in opposing giving President Clinton his fast track authority.

□ 2115

#### THE BENEFITS FOR THE UNITED STATES OF SUPPORTING FAST TRACK AUTHORITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Arizona [Mr. KOLBE] is recognized for 60 minutes as the designee of the majority leader.

Mr. KOLBE. Mr. Speaker, tonight I come here to this House, along with my colleague, the gentlewoman from Connecticut, to talk about an issue that we believe is so critical to the future of this country; that is, trade.

In the end, though, trade is not really about statistics. It is not really about numbers. It is not, in a sense, even about jobs. It is about the opportunities for jobs. It is about the opportunities that American consumers have to make choices. It is about getting lower prices for goods and better quality, of having competition. Yes, it is about American leadership. It is about our place in the world. It is whether the United States is going to lead on trade or whether we are going to follow on trade.

The fact of the matter is there are very few countries in the world that benefit as much from trade as the United States of America does. I would just like to begin with this one chart, which shows how American businesses and American workers have benefited by the fact that U.S. exports have increased more than 3,000 percent in the last 35 years.

It is not that far back to 1961, when we look at the value of U.S. exports, they were less than \$100 billion, around \$50 billion. It did not reach \$100 billion until about 1973. Then it has simply

taken off since then. The most steep rise is in the last 2 years, the last 4 years, since 1993. Even as Americans continue to worry about trade deficits, we continue to have a very substantial growth in exports.

What does that mean? Does exports mean something to other than just a number on a chart, other than a line on a chart? It means a great deal. It means a lot about the growth. Growth, of course, means something about the jobs that are available to Americans.

This chart demonstrates the difference between jobs in the total civilian employment, which has been rising, this red line down here, which has been rising fairly steadily. But if we look at the export-related jobs as an index, this is on an index basis, we can see that the export-related jobs are growing much more rapidly.

In other words, the great economy that this country is enjoying today, the tremendous benefits that we all enjoy from having a low unemployment rate, from having the ability to have a second car, from rising incomes and wages, the vast majority of that has come from export-related jobs.

These are not jobs that are poor-paying jobs, they are better, much better, on average than the jobs that we have in the United States that are service economy jobs. Export manufacturing and service-related jobs pay, on average, about 16 percent more than a job that is totally or solely domestic-oriented.

So I would point out to my colleagues who have engaged in this debate about fast track, and whether or not the United States should continue to promote more jobs, that the bottom line really is that there really is not much choice. Our growth, our future, depends on creating these kinds of jobs so that our children and grandchildren will have jobs in the future. That is really what it is all about.

I know tonight we are going to want to talk a little bit, my colleague and I, a little bit about what fast track really means, and what it really means for America. But I think these charts right here demonstrate why trade is so important for America.

We, more than any other country in the world, have benefited from the tremendous increase that we have had in trade. Let me just show one more chart here that I think is very interesting, because we often hear that it is only the Boeings, it is only the Cargills, or Chryslers or General Motors that benefit from trade. But the fact is that small- and medium-size companies account for, in dollar volume, 30 percent of all of our exports. And if we look at it in terms of numbers of companies, 96 percent of the companies that are trading overseas are companies that have less than 500 employees.

So it is the small- and medium-sized businesses. Yes, they do not sell as much as Boeing. No, they do not sell as much as Ford, Chrysler, or IBM. But they, too, benefit from trade. Ninety-

six percent of our companies with under 500 employees are the ones that are engaged in trade overseas. So it is not just the large companies, it is small companies as well, and it is in middle America, it is in the towns of Iowa and in the streets of Connecticut, and yes, in my State of Arizona, where people benefit because they have the ability to engage in trade overseas.

Mr. Speaker, I yield to the gentlewoman from Connecticut, Mrs. NANCY JOHNSON, an individual who serves on the Committee on Ways and Means and has been instrumental in helping to carry this argument to the American people, and who I know has some thoughts about this.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I would like to have the gentleman put the chart back up that shows just how much of America's economy depends on exports, that first one. The U.S. exports have increased 3,000 percent in the last 35 years. I do not think most of the people in America are conscious that 30 percent of our economic growth is the result of exports.

We saw in the gentleman's next chart how the number of jobs associated with exports is growing far more rapidly than the number of jobs associated with domestic sales. That is what fast track is all about. It is about whether or not we are going to be at the table to negotiate new markets for our exports.

I was thinking, as my friend and colleague, the gentleman from Mississippi, Mr. GENE TAYLOR, spoke about the jobs lost in his district to international competition, about the jobs lost in my district to international competition, and nothing is more agonizing than to see a factory close or a business fail, because that is not just a business failure, that is people out of work.

But competitiveness has nothing to do with fast track. Those factories closing has nothing to do with fast track. In fact, if we do not negotiate access to new markets, if we cannot get American goods into new markets, far more factories will close because the issue is twofold.

The first issue is competitiveness; the second issue is open markets. We have to be competitive. You go down to your grocery store, you go down to your drugstore, you go down to the hardware, you go down to the department store. Any store in every American community has imports and domestically-made products.

America has to be able to sell the highest-quality, the lowest-cost product right here in their own hardware stores and department stores and grocery stores and pharmacies, and they also have to be able to sell the highest-quality, lowest-cost product in every other nation in the world in order for us to succeed.

Americans, I think, sometimes do not realize that of the 21 top technologies in the world, the most sophisticated technologies, as the Department of Commerce defines them, we are the low cost-high quality producer in 20 of those 21 top technologies. That is why we saw American exports increasing 3,000 percent. That is why we saw the line going up steeply in recent years.

It is because in recent years we have recognized that to be strong, to hire our people, to pay good wages, to have a rising standard of living, we have to be the most competitive Nation in the world. That means we have to have the highest-quality, lowest-cost product both here and abroad.

We are proving we can do it. In my district we are shipping sophisticated machine tools all over the world. We are shipping top quality airplane engines all over the world. But we are also shipping sophisticated lock systems all over the world. We are shipping Lego toys made in my district all over South America. We are number one in many, many, many product lines, and because of that, we are shipping all over the world.

When we see those charts that show that more and more of America's economic well-being depends on her sending goods abroad, and when we see the number of jobs associated with producing those products to sell abroad, it tells us that we have to have markets to sell into. The only way we get markets to sell into is being at the negotiating table to open those markets. That is all fast track negotiating authority is all about. It is just giving our government the authority to be at the table, to make the deal, to open other people's markets to American-made products.

I want American inventions to produce American jobs to make American products to sell in every market in this world. We cannot get there unless America is at the table negotiating to open markets for American inventions made by American workers shipped by American companies into every market. That is what fast track authority is about. It is about negotiating market opportunities for American products.

Remember, 96 percent of the world's consumers are in other countries. Only 4 percent of the world's consumers are here. So if we want to see more goods sold, and we want to see a rising standard of living in America, we have to not only have competitive products to sell into those markets, but we have to have trade agreements that open those markets to American products.

Mr. KOLBE. Reclaiming my time, Mr. Speaker, I think the gentlewoman has made a very good point, and one I think we need to explore a little bit more. The gentlewoman serves, of course, on the Committee on Ways and Means, which has the primary jurisdiction over trade issues.

I have listened to a lot of these discussions that have gone on on the floor

here, and I think there has been a lot of misinformation about what fast track really is about. So before we come back to some of these figures on trade, maybe we ought to just talk a little bit about what fast track really means.

Fast track is a process. A lot of people right now are talking about, oh, we do not want to get into another agreement. We may not get into another agreement. That is down the road. But fast track says whether or not we are ever going to be at the table talking about these trade arrangements and trade agreements. Because the fact of the matter is, the world is moving ahead on trade. Whether we are there or not, they are going on and moving ahead.

We have scheduled, and I am sure the gentlewoman knows, we have scheduled in this coming year talks in Geneva, where the World Trade Organization is located, and we are one of the 150-plus members now of the World Trade Organization. Talks are scheduled to go on on intellectual property. We are the leading exporter in the world of intellectual property. We are talking about computer software, we are talking about all the elements of movies and records and tapes and CDs, all those things in which we are a tremendous exporter of that intellectual property.

Now, the rules governing that and protecting our intellectual property and making sure we can trade that overseas, those are going to be decided. If we are not able to sit in those negotiations, we are going to be out of it.

Mrs. JOHNSON of Connecticut. Mr. Speaker, if the gentleman will yield further, we often talk about America as the entrepreneurial society. We talk about ourselves as inventive, as creative. There is absolutely no question but that we invent more new products in America than any other nation.

We are an inventive Nation. Consequently, we invent a lot of great ideas and great products that other countries say, "Hey, great product. We are not going to put the research and development in it, they already did it. We are going to just counterfeit it, copycat it, produce it, and undercut them in price," because, of course, they did not have to carry the costs of research and development.

We are the most inventive Nation. We create the most new products. We want the whole world trading community to have a high standard of protecting inventions, protecting patents, protecting copyrights, because those are American jobs. If we are not at the table to make sure that that standard is high and that other nations have to come into compliance promptly, then other nations who want the standard low and compliance to take many, many years will win.

And who loses? The inventive Nation that creates the new products, because we are not protected against other countries counterfeiting our products,

copy-catting our products, back-engineering our products, and then undercutting us in the market.

□ 2130

So invention means we want to be at that table to drive the American standard of intellectual property rights protection, as we call it, to be the international standard. And that is why we need to be there, we need negotiating authority. We have to drive those decisions to recognize the high standard that invention and creativity and American ingenuity have always created for the market and ought to be protected worldwide.

Mr. KOLBE. Reclaiming my time, I appreciate what the gentlewoman from Connecticut has just said. As she well knows, at the other end of the technology sale, you might say, is agriculture, that we have a very technologically innovative agricultural industry. At the other end is agriculture.

We are, again, the largest exporter of agricultural products in the world. Those talks are scheduled to take place in the year 1999 in Geneva. And the question is, will the United States be there pounding on the table, hammering at the door, demanding that other countries, Europe in particular, which has very high protective tariffs against our agricultural products, which we can and would love to sell to Europe and the rest of the world, whether we are going to be able to get those tariffs lowered, whether we are going to be able to sell more of our products overseas, more wheat, more soybeans, more of the grains and the rice and all the specialized products.

Mrs. JOHNSON of Connecticut. More dried milk if you are a dairy State.

Mr. KOLBE. And more dried milk if you are a dairy State. That is exactly right.

So whether it is high technology at one end or whether it is agriculture at the other end, those talks are very vital to us.

And then finally, in the year 2000, investment services. The gentlewoman from Connecticut [Mrs. JOHNSON] comes from a State where this is extraordinarily important. Insurance and investment and brokerage services, those are absolutely vital. Financial services are absolutely vital. The United States again is the leader.

And we have gotten the World Trade Organization to agree that these are the three areas that are going to be the next areas for discussion for lowering the barriers to our trade in goods and services with the rest of the world.

And now, if we turn away from fast track, if we deny fast track to the President, and I think we need to explain exactly what that means "fast track," but if we deny that, we are saying to the rest of the world, we are not going to be at the table, we are not going to be discussing this or negotiating on behalf of the United States.

I wonder if the gentlewoman from Connecticut [Mrs. JOHNSON] would just,

since people might be wondering, what does she mean when she says "fast track"? If I have somebody out there asking this question, I wonder how the gentlewoman from Connecticut [Mrs. JOHNSON] would answer: So why do we need fast track in order to sit down at the table and negotiate with the world, with the European Union, or with any other country?

Mrs. JOHNSON of Connecticut. This is why we need fast track. Really, it is so very simple. We think of sitting down together as a family and we have a dispute and a problem, and one kid wants one thing, one kid wants another thing, one kid wants another thing, dad wants another thing, mom has another opinion. And we get together and decide, we are going to do this much because Jenny wants it; we are going to do this to consider Don's concerns; we are going to do this to consider the twins' interest, and mom and dad. And we get a package, and we all agree. It is not everything Jennifer wanted. It is not everything Don wanted. It is not everything mom wanted. It is not everything dad wanted. And the twins are kind of miffed because they did not get X, Y, or Z. But they all got something and they all could see that, while they got something, the other member of the family got something; and, so, this agreement was good for everyone. It was not everything anyone wanted, but it was something everybody wanted and would serve everybody's interest.

Now, everyone has to commit to that agreement. If they do not commit to that agreement, it falls apart. Well, when we go to negotiate with 10 other countries or 20 other countries about how agriculture products are going to move in the world market, everyone has to trust that everyone at the table means what they say and is going to deliver on the agreement.

And so, at the end, and this is always the way it is in international agreements, it is the way it is in families, it is the way it is at any level of negotiations, whether it is union or whether it is not union or wherever it is, at the end, there are a lot of things we can agree on, and then there are some things that are hard, and at the end there are a few things that are very, very hard.

And people have to make hard decisions about what is most important to them, what is most important to you, and then you strike the deal that you know is in the end best for everybody and will serve everybody. It is at that point, it is at that point when we put the final nail in the deal, the final seal on the passage, that everyone has to know everyone who is part of that deal will be able to deliver.

If our President does not have fast track authority, then he will not be able to deliver. The other countries that are parliamentary democracies automatically can deliver because their prime minister can just do whatever he has negotiated. Our prime minister, our President, has to bring the

package back and we have to pass new law.

Now, can the new fast track bill that came out of the Committee on Ways and Means, on which I serve, recognizing that we do want that negotiator to commit to something that we will not pass? It is true we could defeat it, but we want them to agree to something that will serve our interest and that we can support.

So in the new legislation, we have structured a lot of consultation, a lot of involvement by elected Members of the House and Senate, so that, at the end, that deal will be struck in a way that will not only be in America's interest but broadly supported by America's representatives.

Mr. KOLBE. I think my colleague has given an excellent example of exactly how fast track works when she is talking about countries and how it relates to the same kind of thing with families.

The bottom line in a government setting is that no one wants to go into a negotiation and put their cards on the table and get the best deal if they do not know at the end that the deal is a done deal.

Now, they recognize that they have to go back to their countries and get approval of it. But they do not expect to take that agreement back to the country and have it picked apart, amended, changed, and added to. And that is exactly what would happen if we did not have fast track authority. It becomes like any other bill that is introduced in Congress; it gets amended, it gets changed.

Now, fast track does allow the Congress a very significant role in the whole process of this negotiation. We are involved, and my colleague's committee particularly is involved, in the consultation throughout all of these negotiations so that at every step of the way we know how the negotiations are going and we can say, this is not going to fly, Ambassador Barshevski, who is our trade representative, this is not going to fly if you bring this back, or, you need to add this to it, or, you need to do that. So we do have a role as the process goes forward.

We have used this fast track, I think the gentlewoman from Connecticut [Mrs. JOHNSON] can correct me if I am wrong, but we have used this fast track procedure for more than 20 years now since, I think, 1974 when we first added it after the Tokyo Round, because we found at that point that trade was becoming not the simple thing of just lowering tariffs, but there were other things that had to be done. There were nontariff barriers, complex issues that had to be dealt with, and these discussions became much more complicated than they had been before.

So we went to this process of fast track. And every President since Richard Nixon, that means Jimmy Carter, Ronald Reagan, George Bush, and President Clinton, well, not President Clinton, he has not had fast track au-

thority given to him, but every President up to President Clinton has had fast track authority granted to that President. Now we have been without it for 3 years, and we have not been able to engage in the kind of serious negotiations that we would like.

I do not know if my colleague would agree, but I think we would find ourselves at a tremendous disadvantage if we do not have this fast track authority.

Mrs. JOHNSON of Connecticut. One of the things I think is not being noticed, and of course it is because most Americans do not have time to notice, they are busy and we are not at the table, but let me tell my colleagues what happens when we do not have fast track authority, because it is happening to us now.

We do not have fast track authority, so we cannot negotiate with a lot of the South American countries that have traditionally bought American products, like to buy American products, are disposed toward doing business with us, but in the last couple of years have been making deals with other people because we are not positioned, we do not have the negotiating authority that they can trust.

So, recently, Canada negotiated a very good trade agreement with Chile. It meant that there would be no Chilean tariffs on their communications equipment. That dropped an 11 percent tariff under Chilean law on Canadian communications equipment. Not long ago, we lost, an American company lost a very big deal in Chile, not because they were not the top quality producer, not because they were not the lowest cost producer, but because when we added their price of their quality product and the 11 percent tariff, they were higher cost than the Canadian company that was higher priced but did not have the 11 percent tariff.

So our failure to have negotiating authority is already losing us customers in South American nations. And if that happens too much, we lose jobs. We do not just lose customers, we lose jobs.

Mr. KOLBE. I appreciate what the gentlewoman from Connecticut [Mrs. JOHNSON] is saying. And I think that is important, that we keep in mind that we really are not just talking about some kind of abstract thing, we are talking about people who are out there in American companies every day, union people, nonunion people, working, making widgets, making all kinds of manufactured goods, providing all kinds of services, and these goods are being sold overseas.

My colleague talked about the example in Chile. And I would like to point out in a kind of an aggregate or macroeconomic sense the kinds of opportunities that we lose if we are not able to engage in these trade negotiations. Here is just a list of some of them.

For example, the Latin American trade negotiations have roughly a \$300 billion import market. That is exports

from the United States, imports into Latin America. The President of the United States called all the Latin American countries, all the countries of the western hemisphere, together for a summit, as my colleague knows, in December of 1994. And we made a commitment. We got a commitment to come to a free-trade agreement with all the American countries of Latin America, Central America, North America by the year 2005.

These are countries that heretofore had been largely closed. Many of them were not democracies. They had import substitution kinds of economies. They were completely closed. They were poor economies. They were not doing well. We did not have many markets there. But now the world is changing, and these countries are changing, they are growing, they have growing economies and growing hunger for American exports. And there is a tremendous opportunity out there. And the question is, are we going to try to sit down with those countries and negotiate a trade agreement for the Latin American countries, \$300 million worth? That is just the first one here.

The agricultural negotiations that we talked about earlier with the World Trade Organization are worth roughly \$600 billion in the global market.

Mrs. JOHNSON of Connecticut. \$600 billion.

Mr. KOLBE. \$600 billion that we are talking about that are available.

Mrs. JOHNSON of Connecticut. Our whole economy produces \$1.5 trillion of goods each year. So \$600 billion is more than a third of our whole economy.

Mr. KOLBE. Here we go here with WTO, the procurement negotiations. We are talking about government buying goods, whether it is some countries are not completely privatized, they have state-owned aircraft industries, or, of course, we are talking about defense industries and other things, telephones and telecommunications. We are talking about a trillion-dollar global market that is available to us there that, again, if we are not going to engage in these procurement negotiations, which is also scheduled to take place in Geneva, it does not mean we will not be able to sell anything. I do not think any of us would try and suggest that nothing is going to be sold. But we will not have the access to this market that other countries will have that are going to have the rules that they are going to devise these rules.

Mrs. JOHNSON of Connecticut. Can we make that a little clearer. A lot of countries have state-owned, state-operated companies that produce telephone equipment, transportation equipment, energy, and we are moving in the world toward privatizing those companies and letting anyone in the world compete.

If we are not allowed to compete, we do not get those jobs, we do not get that production. If we are allowed to compete, we have to be very good to get the deal. But we need to be able to

be there at the table, and if we are not at the table, then those countries who like having that government control, even if it produces a higher-cost product for their people and lower quality, they like the control.

So if we are not there to push them and say, open that market, let us have a chance, let everybody have a chance, and it will make your industries better and raise the standard of living for your people, if we are not there to do that, then at the table we only have those countries who want a lower standard. And that is bad not only for our country, but for the world.

□ 2145

Mr. KOLBE. The gentlewoman is absolutely right. Just two more that I would like to point out when we talk about fast track, the lost opportunities really pile up. Here we have got the world trade negotiations on services which are worth \$1.2 trillion. Finally we have got the Asia Pacific, this is the APEC. Again President Clinton has made a commitment with the Asian countries that we are going to try to have a free trade agreement by 2010 that is worth \$1.7 trillion. The bottom line is we add all these up and we have a cumulative effect of nearly \$5 trillion, just in these areas of negotiations.

These are not just fantasy. These are not wannabes, these are not maybes. These are things that are scheduled to occur, negotiations on these kinds of trade opportunities. We will lose, not all, but we will lose a significant part of this if we are not able to have a trade agreement that favors us, that gets the things that we need in order to have access to these markets. I think the gentlewoman would agree with that.

Mrs. JOHNSON of Connecticut. They are scheduled to occur and they are going to occur. These negotiations are going to go on whether we pass fast track or whether we do not pass fast track. Just last year, just in one year, we lost \$2.3 billion due to copyright piracy; that is, people just outright counterfeiting American products, copycatting our products, ignoring our copyrights. That is just one year, \$2.3 billion. These negotiations are going to go on. Who is going to be at the table? We are going to be at the table, too. But at the end when the deal has to be done at the end, when those hard decisions are made, those countries who pirate our products, who make a fortune off our research and development, who steal American jobs from our people, they are going to be able to do that final deal, and we are not. The deal they strike is going to be for a lower level of protection and many, many more years for countries to come into conformance. If we are at the table, we can say, "Uh-uh."

People who invent the idea have the right to own that idea, and their employees have the right to the jobs to produce that product, and we have the

right to support our people as a result of our inventiveness, and we will set that standard higher and we will require compliance sooner if we are there to drive the final deal. If we are not, it will be our loss.

Mr. KOLBE. The gentlewoman has made a point that suggests something that I think is very curious in this debate that we have been having about trade and about fast track. I know the gentlewoman has talked to many businesses and plant managers and supervisors all over her district as I do throughout Arizona and around this country when I travel. American business is not afraid to compete. We are able to compete. We want to compete. They want to get out there and compete. It strikes me as very curious that some of our colleagues here in Congress seem to be a lot more fearful of this competition than our own businesses and, frankly, I think our own workers are. I have never met a worker in one of my factories in Arizona that was not willing to compete. They know they can make good products. All they want to do is have a fair shot at selling that product overseas. That is what these trade negotiations are all about.

I just note, point out to the gentlewoman here, when we talk about the U.S. and its role in trade, it is overwhelming. Our trade, our value of our goods and services that we export in 1996 is \$849 billion. That is about a sixth of our total GDP, and it is a huge amount. This is just the exports, not the import side of it. Compare that to other countries like Germany at 609 and Japan at 468. We are so far and away the biggest exporter in the world that we still dominate the world. Yet some people would say, gosh, we are afraid of this, we are afraid of trying to expand these markets. If we do not have fast track, I can tell the gentlewoman that the happiest people in the world are going to be the European countries when it comes to the agricultural negotiations. They have been resisting opening up their markets for years and they will be delighted that the United States will not be there in Geneva pounding on the table insisting that those negotiations be opened up.

Mrs. JOHNSON of Connecticut. They will be delighted. And yet just in Connecticut, just Connecticut, manufacturing has increased. Connecticut manufacturing exports, \$500 million more just during the first half of 1997 over the first half of 1996, \$500 million, a half a billion dollars more in manufactured exports went out the door from Connecticut plants in just the first half of 1997. If you are expanding production at that rate, you are hiring people. And if you are selling abroad, your wages are higher than domestic companies. So in Connecticut, we are selling more abroad, the jobs we are creating in that sector, not all jobs. I absolutely acknowledge that, but more and more jobs are associated with exports and those jobs on average pay 16 percent more. So if you want your kids to do

well, you want to live in a State that exports a lot so your kids can get into exporting industries so they can have the opportunity to have higher paying jobs and good livings.

Mr. KOLBE. I think that the gentlewoman has suggested something that I think is indicative of the problem that we face in trying to make this appeal on trade and make the sale. I am sometimes puzzled as to why it is so difficult for us to make this case. I think one of the reasons is that whenever there is a plant that closes or moves some of its operations to an offshore setting, which by the way is not necessarily bad because they may be sourcing many of the materials from this country itself, but when they move that down there, if a plant closes in Missouri and they move the assembly plant to Mexico, that is a big headline and 200 jobs get lost because a plant moved to Mexico, or as we have seen this last week where Fruit of the Loom announced it is going to move some of its, where they manufacture underwear, they are going to move some of that to Mexico and to some of the Caribbean countries and jobs are going to be lost. Yes, I agree that is tough. That is tough for the people who are losing those jobs. But what never makes the headlines is the fact that on that same day, all over the country, hundreds of companies hired new people, one, or two, or 20 or 50 because they got some contract to sell some product into Mexico or to China or to Germany or elsewhere. There is never a story about that, because we do not see it. It is not visible. You do not open a factory just to sell to another country. But when you close a factory and move it to another country, it is a different story.

Yet the fact is the doomsayers that we hear from people who are against fast track, who are against this kind of opportunities, these trade opportunities for America say that they do not trust us, they do not believe that Americans can compete, businesses believe they can compete and since 1993, since the last time we had fast track authority for the NAFTA agreement and the GATT agreement, we have created 12 million new jobs in this country.

I want to talk a little bit in the remaining time about NAFTA, because that is one of the things, the North American Free-Trade Agreement, that Members sometimes say, "Oh, this is just all about NAFTA." We know that fast track is not about NAFTA, but it is a curious thing that since the North American Free-Trade Agreement went into place, we have, as the gentlewoman knows, we have provisions in that legislation that is called trade adjustment assistance where a job that is lost, is certified it is lost because the factory moved a job or a plant or closed the plant and moved it overseas because of the trade agreement, they qualify for special assistance. A total of 125,000 jobs have been certified as

having been lost because of that. You say 125,000 jobs seems like a lot, but when you remember that during that same time we created 12 million new jobs, you begin to see, well, maybe we benefited a lot from this because a lot of these new jobs were coming because we were selling more wheat to Mexico, we were selling more automobiles to Mexico, we were selling more petroleum drilling equipment to Mexico, and so forth. So the bottom line is that the numbers of the aggregate numbers are overwhelmingly in favor of trade. We are at the lowest unemployment level that this country has had in years. We are at the highest wage growth, personal income growth that we have had in years. This comes because we have had trade. I know the gentlewoman has worked hard on these issues in Connecticut with some of her companies and trying to encourage more trade and exports. I think we agree that that really is the future for the people that we represent to be able to have these opportunities for trade.

Mrs. JOHNSON of Connecticut. One of the hardest things today and all of us feel it in every one of our districts, it is really hard to see plants that really are not producing a top quality good gradually have to lay people off and go under. But that has nothing to do with negotiating authority. It has to do with the fact that consumers today demand very high-quality products at a reasonable cost and they have a choice of products from all over the world. For America to be competitive and American companies to be successful, they have to be the best and the lowest cost in their own local market, around the Nation and across the seas. The exciting thing is that they have risen to this challenge. It took years to do it but I can tell the gentleman, I represent the best workers in the world. They do top quality work individually, they work together well as a team, they day in and day out, you walk into any factory in my district and they can tell you stories about how the latest move that some group in that factory has made to identify by thinking, by working together, to identify a way to cut costs, improve quality, improve productivity together, same men and women, same hours, same equipment, thinking smart, working as a team, and doing a far better job than we used to do. It is truly exciting and we are frankly in so many areas absolutely the best. So we are competitive. One of the things that makes me saddest in this whole trade debate is the idea that somehow trade policy sends jobs abroad. Any American company could establish their factory here or abroad 10 years ago, 5 years ago, 1 year ago, today. They will have that right tomorrow, they will have that right 10 years from now. If they were going to go to the lowest wage company, because some of my friends say to me, "Well, gee how can we compete with 25 cents an hour?" We have been competing with 25 cents an hour. We do com-

pete with 25 cents an hour, and we win. Why? Because we are far better. We produce a far better product at a reasonable cost. So that is not the issue. Companies establish plants abroad for only two reasons: First, to feed their high-technology production capability here in America, and sometimes because trade laws force them sometimes to sell in a market, you have to be there.

I had a company in Connecticut that had a plant in Mexico because under the old rules, they had to produce in Mexico to sell in Mexico. As soon as we passed NAFTA, they closed their plant in Mexico and came home. Why? Because they could produce better here. Now with the free-trade agreement, they could sell into Mexico without having a factory in Mexico.

Mr. KOLBE. So despite the fact that the wages they would have had to pay in Mexico, or they did pay in Mexico were a fraction, maybe a tenth of the amount.

Mrs. JOHNSON of Connecticut. Much lower. Because Connecticut is a high-cost State, and they pay high wages.

Mr. KOLBE. So they were paying a tenth as much in Mexico. They moved the production back to Connecticut. The answer is because of the productivity that they have.

Mrs. JOHNSON of Connecticut. You bet they did. Because it was a better work force, and a higher quality product.

Mr. KOLBE. And more capital investment and more technology. That is, of course, what countries like the United States have. That is the advantage that we have.

Let me just tell the gentlewoman my example that I always use is the copper industry in my own State. Copper was riding high back in the 1960's and 1970's and right up to 1982 when the world copper price collapsed. Half the mines in Arizona closed as a result of that. The other half were struggling selling copper at below the market price, so they were losing money with every pound of copper that they were selling. They knew that in order to stay competitive, they had to make some big changes. What they did was they put a tremendous investment in capital into those mines. We now have the most technologically advanced copper mines in the world in Arizona. Everything is computer controlled, they use robots, they use all kinds of things. The bottom line is yes, there is half the people working in the copper industry in Arizona but there is still a copper industry and they are producing more copper today than they were in 1982 with less than half of the number of people. The result is they can compete and they can outproduce in copper Chile, which is a medium-priced country in terms of wages, Zambia which is at 25 cents an hour or Zaire or Guinea or those other countries which are at the very rock bottom there. We can still beat them because we have much more productivity. Being able to invest in capital and

in technology and have a well-trained work force is really the key to being able to compete.

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But I have not found any American companies that are afraid of that. They all want to be able to do that.

Mrs. JOHNSON of Connecticut. Well, I agree they are able to compete, but they have to be able to get into a market.

Mr. KOLBE. They have to get into market. They cannot do it if we do not—

Mrs. JOHNSON of Connecticut. Right.

Mr. KOLBE. Agreements with other countries and let them in.

Mrs. JOHNSON of Connecticut. Right, under the old rules, Mexico had tariffs of 20, 30 percent on a lot of it.

Mr. KOLBE. In some cases it was as much as 100 percent.

Mrs. JOHNSON of Connecticut. Right, so if you had 100 percent tariffs, I do not care how good you were producing in the United States, you could not sell in Mexico with 100 percent tariffs.

Now, under NAFTA, Mexican tariffs have come way, way down. Yes, American tariffs have come down a little bit, too, but they were low to begin with. Now they are a little lower. Mexican tariffs were high to begin with. Now they are down low. Some of them are completely wiped out. One-half are wiped out. Others are there, but they are much smaller. So now you can sell into Mexico, and you can compete. You do not have to be there to produce.

So lower tariffs means jobs stay in America.

I gave you earlier that example of the Canadian company that got the big deal in Chile, though the American producer was lower cost and higher quality. But we did not have the tariff relief. We had to pay 11 percent tariffs. So we lost the deal. If we had the same tariff relief that Canada had had, if we had been able to be at the table and negotiate those tariffs down like Canada did, we would have gotten that order, and those orders feed jobs.

So what is sad about this fast track deal is that those who oppose fast track think they are protecting American jobs when actually you protect American jobs by being at the negotiating table, opening markets and driving international standards to American standards, because American standards are higher in every area than most of the rest of the world.

So if we can open markets, we can compete. If we open markets, our competitive companies go in, sell goods, and that allows them to hire and create jobs.

So if you care about the jobs of your kids, you have to be in lots of markets, because remember, again, 96 percent of the consumers are outside the United States. So if your kids are going to have jobs, you have got to be able to sell into all the markets of the world,

and that is what we are talking about. We are talking about letting the President be at that table with a power to negotiate agreements that are good for American producers. And if they are good for American producers, they are good for American workers because they will sell American goods and create American jobs and pay American salaries to good, solid Americans to sell American products made by American people.

It is exciting. It has meant that we are a very prosperous Nation. It will bring prosperity to our children, and without fast track the possibility of a continual rise in our economic growth is truly, truly compromised.

I do not want to be too pessimistic, but one could paint rather grim scenarios about economic growth without fast track.

Mr. KOLBE. Well, I think the gentleman is absolutely right, and I think we do not want to be apocalyptic about that, and certainly the world will go on, and the United States will continue to trade, but we will trade on much more difficult terms and not as well as we would do if we have trade agreements, and those can only come about if we have fast track authority to allow the President to negotiate those trade agreements.

We have been talking a bit this evening about NAFTA, and I just want to take a minute to talk about it, because if you listen to some of the opponents of fast track authority, you would think that the North American Free Trade Agreement, or NAFTA as it is called, that links the United States, Mexico and Canada in a free trade agreement is the only agreement we have ever negotiated under using the fast track authority. But the fact is we have had four other critical agreements, and those are the 1979 Tokyo Round of GATT talks, General Agreement on Trade and Tariffs; the 1985 U.S.-Israel Free Trade Agreement; the 1988 U.S.-Canada Free Trade Agreement; and the 1994 Uruguay Round of GATT talks. Now in that last round, of course, GATT became the World Trade Organization, so we talk now about WTO.

But those four rounds, all of which made significant breakthroughs for the United States in the areas of not just of tariff barriers, but of allowing us access to different markets, were absolutely critical for us.

Now, I want to just focus for a moment on the North American Free Trade Agreement in Mexico because a lot of people shy away from this and say, oh, we should not talk about that, and it is very important to understand that this fast track authority is not about Mexico, it is not about NAFTA, it is about allowing the President of the United States authority to negotiate all kinds of trade arrangements.

But I still take on the issue of NAFTA and confront it head on because I believe that when the book is written, and I think some of it is al-

ready being written, it will be demonstrated that the North American Free Trade Agreement has been a good agreement for not just Mexico, but for the United States as well.

Yes, it is true that we had a trade surplus before NAFTA, and today we have a trade deficit with Mexico. But it was not NAFTA that caused that. It was the collapse of the Mexican peso, where all of a sudden after the collapse of the Mexican peso that had nothing to do with NAFTA and everything to do with some ill-founded policies that were followed by the previous administration in Mexico and the mishandling of a currency devaluation, the collapse of that peso, the result of that is that suddenly anybody trying to buy something when they are in Mexico from another country is going to pay a lot more in dollar terms, and anybody outside of Mexico buying something in Mexico is going to pay a lot less. And so the Mexican exports to the United States went up, and U.S. imports to Mexico or exports to Mexico went down by comparison.

But let me just give a couple of facts to show why I think we can say that NAFTA has worked in terms of leveling out the dips and making it less of a slide than would otherwise be the case, because in 1982 we had a similar, almost equal, amount of devaluation of the Mexican currency. When that occurred in 1982, U.S. exports to Mexico dropped 49 percent; repeat that, 49 percent our exports dropped, and it took us 7 years for us to restore the level of exports to Mexico that we had before 1982.

In 1995, when the peso was devalued, that time about the same amount of devaluation, that time we had a 9.4-percent drop in U.S. exports to Mexico, and it took us 1 year to get back up over the level of exports that we had before that time.

And so I think we can see that the NAFTA agreement, the reason for that, people say, well, so what does NAFTA have to do with that? Why was that the case? Well, what happened in 1982 was that when you did not have an agreement, when they have a peso devaluation, a country tries to trade itself out of that, they slap on import quotas, the hundred percent tariffs, licensing requirements, all the things that make it impossible for an American exporter to get their products into Mexico while they are able to export, take advantage of the peso devaluation and export to the United States.

With NAFTA, Mexico, and with other free trade agreements, the other countries cannot do that. They are not able to resort to that kind of thing in order to what I would call beggar thy neighbor approach, and so as a result of that, Mexico was, although our exports to Mexico dropped, those that were able to get the money, to get their hands on the cash in Mexico, were still able to buy. And so our exports to Mexico did continue. They dipped, but within 1 year we were back up over where we had been before.

So I would say, quite frankly, to my colleagues who decry the North American Free Trade Agreement, the NAFTA agreement, I would say, you are wrong, it has worked, it has done precisely as we wanted.

And I will yield, and we only have just about 5 more minutes, and we are going to close up, and I will yield to you, and then I will end.

Mrs. JOHNSON of Connecticut. Let me just mention that one of the big issues in the NAFTA negotiations was the failure of Mexico to enforce their own labor laws. They look good on paper, but they did not enforce them, and we have learned something from those NAFTA negotiations.

In those negotiations we made what is called a side agreement, and as a result of that, Mexican investment in enforcement of their own labor laws has increased 250 percent. In other words, we forced them to try to start enforcing their own laws, which were good on paper and lousy in reality, and in this new fast track authority we specifically include the right for the United States to negotiate the enforcement of domestic laws in labor and environment because lots of countries have good-sounding laws, but they do not enforce them, and that does make it harder for us to compete. So we have now expanded this negotiating authority to include enforcement of domestic laws because we did learn from those negotiations in Mexico the need for that breadth.

So this time we are not only asking for the President to have negotiating authority, but we are asking for that authority to reflect the experience that we have in what defends America's interest and what strengthens our own future and creates opportunity for our people.

Mr. KOLBE. I think the gentlelady's comments are right on target, and I think they summarize exactly why America needs to have fast track authority, why the President of the United States needs fast track authority, why we need to be able to pursue opportunities.

Opportunities for trade means opportunities for jobs for Americans. It means opportunities for American consumers. It means opportunities for our children and opportunities for the future. None of us in this body should be afraid of the future. The American people are not afraid of the future.

And this issue about fast track is not a partisan issue. It is an issue about whether we are going to lead, lead for ourselves and lead with the rest of the world.

And Republicans and Democrats alike have spoken out strongly on the issue of free trade, and I would like to simply end tonight with some quotations that I think very well express the importance of why we need to have these kinds of trade agreements.

The current Secretary of the Treasury, Bob Rubin, said this: We are now at a crossroads. The question before

Congress is whether to grant the President fast track so that we can continue to open markets, expand trade and raise standards of living here at home, or to refuse and watch as U.S. workers and businesses lose out in access to the opportunities in the global economy.

Brent Scowcroft was a White House national security adviser in President Reagan and President Bush's administration, and he said this: We cannot say we will lead on NATO and regional security, but not on trade. We cannot say we will lead on democracy and human rights, but not on trade. And we cannot say we will lead on the environment, but not on trade.

Senator Dole, Robert Dole, the former majority leader and Republican Presidential nominee this last campaign, said, global trade is inevitable and Presidential fast track authority is indispensable if America is to lead the community of nations into the next century.

And finally, the President of the United States, President Clinton, has said this: We owe it to the working men and women of America and around our entire country to level the playing field for trade so that when our workers are given a fair chance, they can and they do outcompete anyone anywhere in the world.

My colleagues, I appreciate my colleague from Connecticut participating with us this evening. I think it is very clear where the merits of this argument lie. We are confident about America's future, and I think we are confident that fast track authority will lead us into a brighter future for our children.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MENENDEZ (at the request of Mr. GEPHARDT), for Tuesday, November 4, on account of election day in his home State of New Jersey.

Ms. MCKINNEY (at the request of Mr. GEPHARDT), after 2:30 p.m., Wednesday, November 5, and on Thursday, November 6, on account of business in the district.

Ms. CARSON (at the request of Mr. GEPHARDT), for Thursday, November 6, on account of official business in the district.

Mr. YATES (at the request of Mr. GEPHARDT), for Thursday, November 6, after 5:30 p.m., and Friday, November 7, after 11 a.m., on account of personal reasons.

Mr. MICA (at the request of Mr. ARMEY), for Thursday, November 6, until 6:30 p.m., on account of accompanying the President to the Bush Library dedication.

Mr. PORTMAN (at the request of Mr. ARMEY), for Thursday, November 6, until 6:30, on account of attending the dedication of the George Bush Presidential Library.

Mr. QUINN (at the request of Mr. ARMEY), for today, after 3:30, until 6

p.m., November 8, on account of attending a funeral.

Mr. GILLMOR (at the request of Mr. ARMEY), from today, 5 p.m., and for Saturday and Sunday, on account of personal reasons.

Mr. FORBES (at the request of Mr. ARMEY), for Thursday, November 6, until 6:30 p.m., on account of attending the dedication of the George Bush Presidential Library.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DEFAZIO) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Mr. MCNULTY, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. POSHARD, for 5 minutes, today.

Mr. TRAFICANT, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. SHERMAN, for 5 minutes, today.

Mr. LAFALCE, for 5 minutes, today.

Mr. TOWNS, for 5 minutes, today.

Mr. FAZIO, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Mr. SANDERS, for 5 minutes, today.

Ms. FURSE, for 5 minutes, today.

Mr. HOYER, for 5 minutes, today.

Mr. RUSH, for 5 minutes, today.

Mr. KUCINICH, for 5 minutes, today.

(The following Members (at the request of Mr. GIBBONS) to revise and extend their remarks and include extraneous material:)

Mr. SAXTON, for 5 minutes, each day, today and November 9.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. GEKAS, for 5 minutes, today.

Mr. GIBBONS, for 5 minutes, today.

Mr. PORTMAN, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

Mr. KASICH, for 5 minutes, today.

Mr. DUNCAN, for 5 minutes, today.

Mr. PAPPAS, for 5 minutes, today.

Mr. MORAN, for 5 minutes, today.

Mr. SANFORD, for 5 minutes, today.

The following Member (at his own request) to revise and extend his remarks and include extraneous material:

Mr. DUNCAN, for 5 minutes, today.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HANSEN, and to include therein extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost \$3,334.00.

#### ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found